



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/696,985	10/30/2003	George L. Strobel II	10051.105002	7872
<div>20786      7590      08/15/2007</div> <div>KING &amp; SPALDING LLP</div> <div>1180 PEACHTREE STREET</div> <div>ATLANTA, GA 30309-3521</div>				
			<div>EXAMINER</div> <div>SNEED, KWELLI D</div>	
			<div>ART UNIT</div> <div>3609</div>	<div>PAPER NUMBER</div>
			<div>MAIL DATE</div> <div>08/15/2007</div>	<div>DELIVERY MODE</div> <div>PAPER</div>

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

## Office Action Summary

Application No.

10/696,985

Applicant(s)

STROBEL ET AL.

Examiner

Kwelli D. Sneed

Art Unit

3609

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 30 October 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-18 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-18 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- ☒ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☐ Information Disclosure Statement(s) (PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_.
- ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date \_\_\_\_\_.
- ☐ Notice of Informal Patent Application
- ☐ Other: \_\_\_\_\_.

## **DETAILED ACTION**

1. A review of the claims and updated search necessitated the objections and rejections below.

### ***Claim Objections***

2. Claim 1-5, 8-9 is objected to because of the following informalities: claim numbering. Appropriate correction is required.

### ***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

3. Claims 1-2, 4- 18 are rejected under 35 U.S.C. 102 (e) as being anticipated by Brown et al. (US Patent Publication 2003/0105690).

As per Claim 1, 10

Brown et al ('690) discloses:

Capitalizing an arbitrage opportunities between annuity markets and life insurance markets for making a charitable contribution comprising: a source of capital, see (page 1, column 1, section 0005).

Providing an arbitrage entity to obtain capital infusion from a capital source in an amount sufficient to purchase one or more leveraged annuity and life insurance on the life of the insured client, see (sections 0006 - 0010).

Providing the purchase of a leveraged annuity and life insurance policy with annuity proceeds to cover periodic premium payments on the life insurance policy and periodic returns to the capital source, see (page 1, column 1, section 0006).

Providing a leveraged death benefit of the one or more leveraged life insurance policy that exceeds the amount of the capital infusion, see (page 1 column 2 and sections 0008-0010).

Providing that the ownership interest in the arbitrage entity is acquired by at least one charity, see (page 3, column 2 and Claim 13).

As per Claim 2

Brown et al. ('690) further discloses an arbitrage investment product that consists of a partnership, a corporation, a trust, a limited liability corporation and limited liability partnership, see (sections 0013, 0016, 0028; claims 4, 5, 10 and 11).

As per Claim 4 and 11

Brown et al. ('690) further discloses wherein the capital infusion comprises a private investment in the arbitrage entity, see (sections 0006 and 0018).

As per Claim 5 and 12

Brown et al. ('690) further discloses an arbitrage entity that comprises an arbitrage partnership, see (sections 0013, 0016; claims 4, 5, 10, and 11).

providing wherein the ownership in the arbitrage entity comprises a limited partnership interest., see (sections 0013, 0016, and claims 4, 5, 10, and 11).

As per Claim 6 and 13

Brown et al ('690) further discloses an arbitrage partnership includes a general partner and one or more preferred partner, see (sections 0010 and 0013).

Providing that the general partner comprises an investment advisor who manages the transactions, see (sections 0013-0014 and Figure 2).

Providing the general partner, limited partner, and preferred partner owns interest in the arbitrage entity, see (sections 0015-0018).

Providing that one or more preferred partner comprises the one or more capital source, see (sections 0015 - 0017).

Art Unit: 3609

As per Claim 7

Brown et al. ('690) further discloses an arbitrage investment product wherein the preferred partner is entitled to preferred distribution of any income of the arbitrage partnership, see (sections 0027 and claim 12).

As per Claim 8 and 17

Brown et al. ('690) further discloses an arbitrage investment product, wherein upon death of the life insured client, the arbitrage entity receives the leveraged death benefit and arbitrage proceeds are distributed in accordance with the ownership interest, see (sections 0027 and 0028).

As per Claim 9 and 18

Brown et al. ('690) further discloses an arbitrage investment product where at least one or more leveraged life insurance client and annuity clients are the same person, see (section 0005).

As per claim 14

Brown et al. ('690) further discloses preferred partner comprises the capital source and is granted the preferred partnership interest in exchange for capital infusion see, (sections 0015 and 0016).

As per Claim 15

Brown et al ('690) further discloses wherein donating the interest in the arbitrage entity to at least one charity comprises donating the limited partnership interest to the at least one charitable entity, see (sections 0017).

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claim 3 are rejected under 35 U.S.C. 103(a) as being unpatentable over Brown et al (US Patent Publication 2003/0105690), in view of Dryburgh (Planned Giving Design Center, March 03, 1999).

As per claim 3

Brown et al does not specifically disclose a charitable entity as being defined by the United States internal Revenue code.

Dryburgh (Planned Giving Design Center, March 03, 1999) teaches that Congress and the Internal Revenue Service, in the year 1999, had begun taking a serious look at charitable reverse split dollar insurance due to its gaining popularity and pending legislation, see (paragraph 3, lines 1-12).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the invention of Brown et al ('690) to include an investment product that is in compliance with Internal Revenue federal income tax requirements involving making contributions to charity entities without subjecting the charity to income tax.


***Conclusion***

Any inquiry concerning this communication from the examiner should be directed to Kwelli D. Sneed whose telephone number is (571) 270-3446. The examiner can normally be reached Monday –Thursday 7:00 am 4:40 pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Thomas A. Dixon can be reached on (571) 272-6708.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status Information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. Should you have any questions about the PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Kwelli D. Sneed  
Examiner  
Art Unit 3609

  
THOMAS A. DIXON  
SUPERVISORY PATENT EXAMINER